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**PROPOSAL
FOR THE
PILOT PRODUCTION
OF
3000 CLAMS**

5 MAY 1958

INTRODUCTION

A little over two years ago this company undertook the redesign of the Clam (RD 88, Task Order 10), adapting it for use with the Mark I Time Pencils fitted with coupling bases. Following the acceptance of the redesigned unit, injection molds were designed and built by a subcontractor working closely with this company. A developmental production of 1000 Clams was then successfully run. These units were assembled and tested prior to our leaving the east coast last year.

SCOPE

At the request of the customer, this company proposes to first, write a tentative set of specifications covering the manufacture of the Clam. Then, using the molds made under the above developmental task, undertake the manufacture and assembly of a pilot production of 3000 units. The molding of the plastic parts and the procurement of the magnet brackets, etc., will be subcontracted. At the completion of the contract, the tentative specifications will be finalized, noting any changes deemed necessary.

WORK PLAN

It is proposed that the contract be written to cover a nine month's working period, however, it is expected that the actual production of the Clams will be completed by the end of six months. The services of two technicians for the period of two months and the part time services of an engineer for the full period are planned.

It should be noted that figures for the material costs are only firm for sixty days and a delay in the receipt of this contract beyond this time may necessitate additional funding.

COST ESTIMATEBREAK-DOWN OF MATERIAL COSTS

6,000 Magnet Brackets	\$ 658.00	Freight	Extra
6,000 Springs	285.00	"	"
12,000 Magnets	4,200.00	"	"
3,000 Sets of Plastic Box Parts	1,050.00	"	"
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	\$ 6,193.00	"	"
Cost/Unit	\$2.055		

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COST ESTIMATE
(Revised)

400 hrs. Engineering Labor @ \$2.50	\$ 1,000.00	
160 " " " @ \$4.00	\$ 640.00	
	<u>\$ 1,640.00</u>	
Engineering Overhead @ 135%	<u>2,214.00</u>	
Subtotal I		\$ 3,854.00
Materials	\$ 6,193.00	
Travel & Miscellaneous	500.00	
Freight & Packing	<u>300.00</u>	
Subtotal II		<u>\$ 6,993.00</u>
Subtotal III		\$10,847.00
G & A @ 8.5%	<u>922.00</u>	
Subtotal IV		\$11,769.00
Fee @ 8%	<u>942.00</u>	
Total		<u>\$12,711.00</u>

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